

**STONEGATE COMMUNITY ASSOCIATION  
11551 E. MOUNTAIN VIEW ROAD, SCOTTSDALE, ARIZONA  
BOARD OF DIRECTORS MEETING  
MAY 23, 2012**

**APPROVED MINUTES**

**PRESENT:** Ed Katz, Vice President  
Doug Schoenfeld, Treasurer  
Mike Flamer, Secretary  
Gary Friedman, Director  
Don Levitt, Director  
Jim Murphy, Director

**ABSENT:** Lori Condon, President

**STAFF:** Larry Paprocki, Director  
Robin Hackett, AV

**CALL TO ORDER**

Vice President Katz called the meeting of the Stonegate Community Association Board of Directors to order at 5:00 p.m., noting the presence of a quorum.

**MINUTES**

**April 26, 2012 Board Meeting**

Vice President Katz requested corrections to the April 26, 2012 meeting minutes on page 1, under Present section strike Jim Murphy and add Don Levitt. On page 1, under Election of Officers strike the sentence: President Condon assumed as president. And replace with: Ms. Condon assumed the presidency and acted as president.

Mr. Schoenfeld requested a correction to the April 26, 2012 on page 1, under Minutes, strike the sentence: A motion was made to approve the March 22, 2012 meeting minutes as presented. And replace with: A motion was made to approve the March 22, 2012 meeting minutes as amended. He noted there was a correction to add that the Finance Committee and Board approved the purchase Mutual of Omaha certificate of deposit.

Mr. Flamer moved that the Board approve the April 26, 2012 meeting minutes as amended. Seconded by Mr. Schoenfeld. *The motion passed unanimously by a vote of six (6) to zero (0).*

## **TREASURER'S REPORT**

### **April 2012 Financials**

Mr. Schoenfeld reviewed the Association financial statements, as prepared by Association staff, for the periods ending April 30, 2012. He responded to questions and comments from the Board members regarding the financials.

In response to a question from Mr. Flamer, Mr. Paprocki reported over the last two months after the LED lights were install there has been a \$1400 savings each month in electricity.

Mr. Friedman stated that he thought CDs were considered cash and not investments. Mr. Schoenfeld stated that is a valid point and they should be moved under cash.

Mr. Flamer moved the Board accept the Treasurers Report. Seconded by Mr. Friedman. *The motion passed unanimously by a vote of six (6) to zero (0).*

## **BOARD ACTIONS**

### **Timarron Landscape Contract**

Vice President Katz stated the Timarron Landscape Contract request is being made by the Physical Property/Conservation Committee and the Finance Committee.

Mr. Paprocki explained four proposals were obtained, including the present landscape provider. In selecting a contractor, the following items considered: work experience, cost, service provided and extras. The contractor recommended is Continental Landscape Management. He further explained what was previously charged as extras is now rolled into the current monthly service charge. The second was adjusting the number of units being serviced, a minimum number was established. The extra monies will be used to upgrade service to enhance Timarron's overall appearance. The monthly assessment for landscape service and administrative services will be \$65.00 per month, which represents a \$2.00 increase.

Mr. Murphy stated the contract should indicate that Timarron is a sub-association and not a HOA.

Mr. Schoenfeld moved the Board approve Timarron Landscape Contract as presented. Seconded by Dr. Levitt. *The motion passed unanimously by a vote of six (6) to zero (0).*

### **PMIS – Streets Zone – Rating Report**

Vice President Katz stated the Executive Director requests the Board approve reserve expenditure in the amount of \$7,550.00 for PMIS to perform a detailed analysis of Stonegate roadways, creating zones and rating system in order to ladder repairs.

Mr. Paprocki explained if approved, this report would be completed by the latter part of July. This report would become the source documentation structuring future street maintenance and repairs as well as financial obligations.

Mr. Flamer moved the Board approve reserve expenditure in the amount of \$7,550.00 for PMIS to perform a detailed analysis of Stonegate roadways, creating zones and rating system in order to ladder repairs. Seconded by Mr. Schoenfeld.

Mr. Schoefeld stated the Finance Committee did discuss this expenditure and it was felt this report would provide a better picture of what we are facing.

Mr. Flamer provided information on the options and types of products that are available. He stated that this report will provide the association with information on the technical side as well as the costs. He noted the technology changes rapidly.

In response to a question from Mr. Murphy, Mr. Paprocki advised that Crown Castle has been advised and the proper steps will be taken to protect the cable.

Dr. Levitt stated that the Association needs to be prepared financially to cover the costs of replacing or repairing our roads and suggested they consider having a separate reserve fund for the streets project. Mr. Schoenfeld stated the Finance Committee has discussed developing a funding mechanism separate from the reserve.

Vice President Katz called for the vote. *The motion passed unanimously by a vote of six (6) to zero (0).*

## **COMMITTEE REPORTS**

Vice President Katz noted the Committee reports were included in the Board packet for Board members review and comment.

## **EXECUTIVE DIRECTOR'S REPORT**

Mr. Paprocki provided an update on the tennis court repairs. He reported that he has been soliciting repair proposals from Sunland and General Acrylic on how to repair the cracking that is occurring. He further reported that he has also sought opinions from the City of Scottsdale. He advised that the bids received to date are no being presented as he believes the solutions are temporary and a proper repair may only be possible when the tennis courts are re-constructed. Our oldest courts are eight years old. He further advised the he believes repairs are necessary to reach the usable life. He will be focusing on this matter to present viable options in June or July so repairs can be done in August.

## **CAI Law Reporter**

Mr. Paprocki reported that State Bar UPL Advisory Opinion No. 12-01 was included in the Board packet. He further reported that this opinion was forwarded to him from our legal counsel. He stated that he believes the caution was intended for off-site property management companies. It is our practice to use legal counsel where required.

Mr. Paprocki advised the office will be closed on Memorial Day.

Mr. Paprocki reported that there is not enough supervision in the recreation pool area causing damage to association property and annoyance to homeowners. He further reported that he would recommend Board approval of 16 additional hours per week at a cost of \$160 - \$200 per week, \$4800 a year. He explained that the hours would be used during high usage times. He responded to questions from the Board members regarding this request.

Mr. Flamer moved the Board approve \$4800 for additional recreation monitor hours. Seconded by Mr. Friedman. *The motion passed unanimously by a vote of six (6) to zero (0).*

## **DISCUSSION/NEW BUSINESS**

Mr. Paprocki passed out a draft copy of the amended and restated Investment Policy as prepared by the ad hoc committee for the Board's review.

Mr. Flamer moved the Board approve the amended and restated Investment Policy. Seconded by Dr. Levitt.

Vice President Katz reported that the report leaves out too many numbers. Mr. Paprocki advised that when the report was copied it did not copy the red text.

Mr. Flamer rescinded the motion. Dr. Levitt rescinded the second to the motion.

Mr. Paprocki suggested sending the report to the Finance Committee for review before bringing it back to the Board for review.

Vice President Katz stated the next Board of Directors meeting will be held on June 28, 2012 at 6:00 p.m.

## **ADJOURNMENT**

Mr. Chuck Murphy moved the Board adjourn at 6:15 p.m. Seconded by Mr. Flamer.

